

INTERLOCAL CONTRACT
(Industrial Pretreatment)

THIS CONTRACT, made and entered into this 2nd day of November 1994, by and between the CITY OF NORTH LAS VEGAS and the CLARK COUNTY SANITATION DISTRICT (hereinafter referred to as "NLV" and "CCSD", respectively, of which NLV is a municipal corporation of the State of Nevada and CCSD is a General Improvement District, with all powers of a public or quasi-municipal corporation and subdivision of the State of Nevada).

WITNESSETH:

WHEREAS, N.R.S. 277.180 provides that two or more political subdivisions of the State of Nevada may enter into interlocal contracts for the performance of any governmental function; and

WHEREAS, CCSD owns and operates a system for the collection and treatment of wastewater; and

WHEREAS, NLV owns and operates a system for the collection of wastewater; and

WHEREAS, geographic barriers presently prevent certain portions of NLV's service area from being serviced by NLV's collection system and CCSD's facilities are more accessible to such areas; and

WHEREAS, both of the parties hereto have developed and implemented through the adoption by their respective City Council and Board of Trustees, programs for the treatment of industrial wastes; NLV through its Municipal Code Section 4.14 (hereinafter referred to as NLVMC 4.14) as amended from time to time, and CCSD through its Pretreatment Resolution, Resolution 83-012, (hereinafter referred to as CCSD Pretreatment Resolution), as amended; and

WHEREAS, NLV desires to have the wastewater that originates within its service area, shown on the attached Exhibit "A", known as Nellis Industrial Park, treated at CCSD's wastewater treatment plant and recognizes CCSD's authority to provide wastewater service, under CCSD Pretreatment Resolution in connection with the control of industrial wastes;

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions set forth, the parties hereby agree as follows:

1. Except where the context otherwise requires, the CCSD Pretreatment Resolution and NLVMC 4.14, of the respective parties hereto, govern the construction of this Agreement, provided however, that if there is any conflict between CCSD's Pretreatment Resolution and NLVMC 4.14, CCSD's Pretreatment Resolution shall prevail. Both parties further agree that if either CCSD's Pretreatment Resolution or NLVMC 4.14 are in conflict or fail to meet the minimum requirements contained in the Federal Pretreatment Regulations, as set forth in 40 CFR (Code of Federal Regulations), Part 403, and the pretreatment standards that have been promulgated by the United States Environmental Protection Agency, pursuant to the authority that is contained in subsections (b) and (c) of Section 307 of the Federal Water Pollution Control Act (commonly referred to as the Clean Water Act); then the Federal Pretreatment standards shall prevail.
2. NLV shall notify its customers which are determined by the CCSD to be significant industrial users or industrial users which are affected by CCSD Pretreatment Resolution, and as may be amended henceforth, of the pertinent requirements that are contained in the Pretreatment Resolution.
3. CCSD and NLV shall control, through the issuance of joint wastewater discharge permits, the discharge of industrial wastes by each significant industrial user and each industrial user which is a customer of NLV discharging into CCSD's

wastewater collection and treatment system, and, in this connection, NLV hereby agrees that CCSD, in its sole and absolute discretion, may make the final determination as to whether a particular industrial user is a significant industrial user or an industrial user, based upon information that NLV shall provide to CCSD.

4. NLV shall have primary responsibility for drafting permits, inspecting, monitoring and enforcing CCSD pretreatment regulations upon NLV's customers which discharge to the CCSD Wastewater Treatment Facility. NLV shall provide CCSD copies of all industrial monitoring reports, including without limitation the compliance reports that are required by CCSD pretreatment regulations, self-monitoring reports, baseline monitoring reports, records of violations, and the actions that NLV takes with respect thereto, all responses to any other monitoring or report requirement that is imposed by the regulations of the federal, state and local governments and any information that is submitted to NLV pursuant to CCSD pretreatment regulations. NLV shall maintain all such reports, records and responses and any other relevant information for a period of at least three (3) years, or longer as may be determined by CCSD to be necessary during the course of any unresolved litigation which involves the user and to which such reports, records, responses and information relate.
5. NLV agrees to enforce CCSD pretreatment regulations and this agreement in accordance with the established CCSD Enforcement Response Plan, as amended, enforcement procedures including, but not limited to discontinuance of service to the offending NLV customer.
6. NLV shall designate CCSD pretreatment personnel as authorized officers for the sole purpose to enter upon and to make appropriate inspections at all reasonable times of NLV's customers' facilities which discharge to the CCSD Wastewater Treatment Facility, which shall include without limitation on-site inspection of such

user's pretreatment and sewer facilities, the measurement, sampling and testing of the discharges therefrom and access to, with the right to copy, all pertinent compliance records that are located on the premises of such user. CCSD shall have the right to inspect any part of NLV's wastewater collection system which discharges to the CCSD collection and treatment system, and the right to monitor any parameter of the wastewater flowing therein, which rights shall extend to the public streets and easements and to any public or private property on which or within which NLV's wastewater collection system, or any part thereof, is located.

7. Whenever, in the sole and exclusive judgment of CCSD, a discharge to its wastewater collection and treatment system appears to constitute an immediate threat to the health and welfare of persons or a danger to the environment or threatens to interfere with the operation or regulatory compliance of CCSD's wastewater treatment plant, CCSD may immediately initiate steps to identify the source of such discharge and to halt or prevent the same. In this connection, CCSD may pursue any legal, administrative or self-help remedy that may be available to it, including without limitation, injunctive relief against NLV or any significant industrial user or industrial user that contributes to the emergency condition, or both.

8. In order to facilitate its enforcement of any right or remedy that is conferred upon CCSD pursuant to this Agreement, CCSD is hereby invested with all legal authority, in its sole and absolute discretion, to perform any of the technical and administrative activities that may be necessary for the implementation of an effective pretreatment program within NLV's customer service area discharging to the CCSD system, including without limitation the authority to update NLV's industrial waste survey, to provide technical services, such as sampling, process chemical analyses, to issue wastewater discharge permits, to perform compliance monitoring and to pursue any civil or criminal remedy, or access any administrative penalty, that is provided for in the CCSD Pretreatment Resolution against any significant industrial user or industrial user which is in violation thereof. If CCSD undertakes any of such

activities, CCSD may assess the costs that CCSD incurs in conjunction therewith to NLV, and NLV upon its receipt of a detailed accounting of the costs that are so assessed, shall promptly pay the amount thereof to CCSD. CCSD's rights under this clause do not minimize or negate in any way NLV's primary enforcement and administrative responsibility to control discharges within NLV's customer service area which discharges to CCSD's system.

9. In the event that a slug (i.e. a discharge of unexpectedly large volume or concentration) or an upset (as defined by the CCSD Pretreatment Resolution) occurs anywhere within NLV's service area which discharges into the CCSD collection or treatment system, NLV shall notify CCSD immediately upon NLV's acquiring knowledge of such slug or upset. That notice shall be made to:

Clark County Sanitation District
Pretreatment Section
5857 E. Flamingo Road
Las Vegas, Nevada 89122
Telephone: 434-6600 (8:00 am - 5:00 pm, Monday-Friday)
434-6657 (all other hours)

10. NLV acknowledges that it shall have the responsibility of complying with the requirements which are set forth in the CCSD Pretreatment Resolution with respect to the confidentiality of the information and data which it obtains from the users of its wastewater collection system discharging to the CCSD system. CCSD acknowledges responsibility for compliance with requirements set forth in the NLV Pretreatment Ordinance with respect to confidential information.
11. NLV hereby agrees to indemnify and hold CCSD harmless from and against all damages, fines and costs that CCSD may incur as the result of NLV's negligent administration of the pretreatment program or of any discharge of industrial waste from NLV's wastewater collection system to CCSD's collection system and wastewater treatment plant, and NLV agrees to reimburse CCSD for all amounts

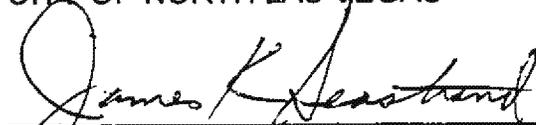
that CCSD may be required to pay as a result of an injury to any of CCSD's personnel that is attributable to the discharge of industrial waste from NLV's wastewater collection system to CCSD's collection system and wastewater treatment plant or as a consequence of any damage to CCSD's facilities, a disruption of CCSD's treatment process or operations, the degradation of CCSD's sludge quality, any violation of CCSD's discharge permits or of any air, water or sludge quality standard, or any combination of the foregoing, that is attributable to any such discharge. In any proceeding to enforce the indemnity that is provided for in this Paragraph 11, NLV shall have the burden of establishing that the actual amount of the damages, fines or costs that CCSD is attempting to recover is less than the amount that CCSD is seeking or that such damages, fines or costs are not attributable to the discharge of industrial waste from NLV's wastewater collection system to CCSD's wastewater collection or treatment system.

12. This Agreement shall be for a term of fifty (50) years or until NLV sewer service becomes available, whichever should first occur. Available is defined to mean a sewer service line within 400 feet of the customer's location with capacity to handle the customer's discharge.
13. This Agreement shall not be deemed to be for the benefit of any entity or person who is not a party hereto, and neither this Agreement, nor any interest therein, may be assigned without the prior consent of the non-assigning party.
14. In the event that any provision hereof is held in any respect to be illegal, prohibited, invalid or unenforceable by any court of competent jurisdiction, such holding shall be effective only to the extent of such illegality, prohibition, invalidity or

unenforceability without affecting the remaining provisions hereof, and the parties hereto do hereby agree to replace such illegal, prohibited, invalid or unenforceable provision with a valid provision which has, as nearly as possible, the same effect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives the day and year first above written.

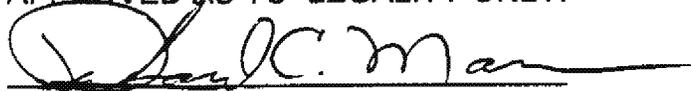
CITY OF NORTH LAS VEGAS


James K. Seastrand, Mayor

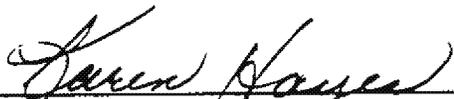
ATTEST:


Eileen M. Sevigny, City Clerk

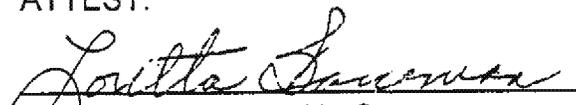
APPROVED AS TO LEGALITY ONLY:


RICHARD C. MAURER, City Attorney

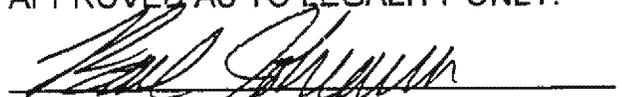
CLARK COUNTY SANITATION DISTRICT


KAREN HAYES, Chairman

ATTEST:


LORETTA BOWMAN, Secretary

APPROVED AS TO LEGALITY ONLY:


PAUL JOHNSON, Deputy District Attorney

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